

Senate Amendment 3152

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1 1 Amend Senate File 544 as follows:
1 2 #1. By striking everything after the enacting
1 3 clause and inserting the following:
1 4 <Section 1. Section 12.28, subsection 6, Code
1 5 2007, is amended to read as follows:
1 6 6. The maximum principal amount of financing
1 7 agreements which the treasurer of state can enter into
1 8 shall be one million dollars per state agency in a
1 9 fiscal year, subject to the requirements of section
1 10 8.46. For the fiscal year, the treasurer of state
1 11 shall not enter into more than one million dollars of
1 12 financing agreements per state agency, not considering
1 13 interest expense. However, the treasurer of state may
1 14 enter into financing agreements in excess of the one
1 15 million dollar per agency per fiscal year limit if a
1 16 constitutional majority of each house of the general
1 17 assembly, or the legislative council if the general
1 18 assembly is not in session, and the governor,
1 19 authorize the treasurer of state to enter into
1 20 additional financing agreements above the one million
1 21 dollar authorization contained in this section. The
1 22 treasurer of state shall not enter into a financing
1 23 agreement for real or personal property which is to be
1 24 constructed for use as a prison or prison-related
1 25 facility without prior authorization by a
1 26 constitutional majority of each house of the general
1 27 assembly and approval by the governor of the use,
1 28 location, and maximum cost, not including interest
1 29 expense, of the real or personal property to be
1 30 financed. However, financing agreements for an energy
1 31 conservation measure, as defined in section 7D.34, or
1 32 for an energy management improvement, as defined in
1 33 section 473.19, or for costs associated with projects
1 34 under section 473.13A, are exempt from the provisions
1 35 of this subsection, but are subject to the
1 36 requirements of section 7D.34 or 473.20A. In
1 37 addition, financing agreements funded through the
1 38 materials and equipment revolving fund established in
1 39 section 307.47 are exempt from the provisions of this
1 40 subsection.
1 41 Sec. 2. Section 455E.11, subsection 2, paragraph
1 42 e, Code 2007, is amended to read as follows:
1 43 e. An oil overcharge account. The oil overcharge
1 44 moneys distributed by the United States department of
1 45 energy, and approved for the energy related components
1 46 of the groundwater protection strategy available
1 47 through the energy conservation ~~trust fund~~ created in
1 48 section 473.11, shall be deposited in the oil
1 49 overcharge account as appropriated by the general
1 50 assembly.
2 1 Sec. 3. Section 473.1, Code 2007, is amended by
2 2 adding the following new subsections:
2 3 NEW SUBSECTION. 4A. "Renewable energy" means
2 4 solar power, photovoltaic power, wind power,
2 5 geothermal power, hydropower, landfill gas,
2 6 refuse-derived fuel pellets, biomass fuel, fuel cell
2 7 powered by a renewable energy resource, or conversion
2 8 of municipal, industrial, or agricultural organic
2 9 wastes.
2 10 NEW SUBSECTION. 4B. "Renewable fuel" means an
2 11 energy source at least in part derived from a
2 12 nonfossil-based organic compound capable of powering
2 13 machinery, including an engine or power plant.
2 14 Sec. 4. Section 473.1, subsection 5, Code 2007, is
2 15 amended to read as follows:
2 16 5. "Supplier" means any person engaged in the
2 17 business of selling, importing, storing, or generating
2 18 energy sources, renewable energy, or renewable fuel in
2 19 Iowa.
2 20 Sec. 5. Section 473.2, subsection 1, paragraph a,
2 21 Code 2007, is amended to read as follows:
2 22 a. Physical, human, natural, and financial
2 23 resources are allocated efficiently.
2 24 Sec. 6. Section 473.3, Code 2007, is amended to

2 25 read as follows:

2 26 473.3 ENERGY ~~EFFICIENCY~~ RESOURCE MANAGEMENT GOAL.

2 27 1. The goal of this state is to more efficiently
2 28 utilize energy resources, especially those that are
2 29 ~~nonrenewable or that have negative environmental~~
2 30 ~~impacts, in order~~ to enhance the economy of the state
2 31 ~~and to decrease by decreasing~~ the state's dependence
2 32 on ~~nonrenewable~~ energy resources from outside the
2 33 state ~~and~~ by reducing the amount of energy used. This
2 34 goal is to be implemented through the ~~execution of a~~
2 35 ~~statewide energy plan that shall include the~~

2 36 development of ~~policies and programs that promote~~
2 37 energy efficiency and ~~energy conservation~~ ~~renewable~~
2 38 ~~energy use~~ by all Iowans, through the development and
2 39 enhancement of an energy efficiency ~~and renewable~~
2 40 ~~energy industry, through the development of indigenous~~
2 41 ~~commercialization of energy resources and technologies~~
2 42 that are economically and environmentally viable, and
2 43 through the development and implementation of
2 44 effective public information and education programs.

2 45 2. State government shall be a model and testing
2 46 ground for the use of energy efficiency ~~and renewable~~
2 47 ~~energy systems.~~

2 48 Sec. 7. Section 473.7, subsections 4, 5, 11, 12,
2 49 and 14, Code 2007, are amended to read as follows:

2 50 4. a. ~~Establish a central depository within the~~
3 1 ~~state for energy data. The central depository shall~~
3 2 ~~be located at or accessible through a library which is~~
3 3 ~~a member of an interlibrary loan program to facilitate~~
3 4 ~~access to the data and information contained in the~~
3 5 ~~central depository. The department shall collect and~~
3 6 ~~analyze data necessary to forecast to use in~~
3 7 ~~forecasting future energy demands in demand and supply~~
3 8 ~~for the state. The department may require a A~~

3 9 ~~supplier is required~~ to provide information pertaining
3 10 to the supply, storage, distribution, and sale of
3 11 energy sources in this state ~~when requested by the~~
3 12 ~~department. The information shall be furnished on a~~
3 13 ~~periodic basis, shall be of a nature which directly~~
3 14 ~~relates to the supply, storage, distribution, and sale~~
3 15 ~~of energy sources, and shall not include any records,~~
3 16 ~~documents, books, or other data which relate to the~~
3 17 ~~financial position of the supplier. Provided the The~~
3 18 ~~department, prior to requiring any supplier to furnish~~
3 19 ~~it with such information, shall make every reasonable~~
3 20 ~~effort to determine if the same such information is~~
3 21 ~~available from any other governmental source. If it~~
3 22 ~~finds such information is available, the department~~
3 23 ~~shall not require submission of the same information~~
3 24 ~~from a supplier. Notwithstanding the provisions of~~
3 25 ~~chapter 22, information and reports obtained under~~
3 26 ~~this section shall be confidential except when used~~
3 27 ~~for statistical purposes without identifying a~~
3 28 ~~specific supplier and when release of the information~~
3 29 ~~will not give an advantage to competitors and serves a~~
3 30 ~~public purpose. The department shall use this data to~~
3 31 ~~conduct energy forecasts which shall be included in~~
3 32 ~~the biennial update required by this section and which~~
3 33 ~~shall also be made available through the department's~~
3 34 ~~internet website.~~

3 35 b. The department may subpoena witnesses,
3 36 administer oaths, and require the production of
3 37 records, books, and documents for examination in order
3 38 to obtain information required to be submitted under
3 39 this section. In case of failure or refusal on the
3 40 part of any person to comply with a subpoena issued by
3 41 the department, or in case of the refusal of any
3 42 witness to testify as to any matter regarding which
3 43 the witness may be interrogated under this chapter,
3 44 the district court, upon the application of the
3 45 department, may order the person to show cause why the
3 46 person should not be held in contempt for failure to
3 47 testify or comply with a subpoena, and may order the
3 48 person to produce the records, books, and documents
3 49 for examination, and to give testimony. The courts
3 50 may punish for contempt as in the case of disobedience
4 1 to a like subpoena issued by the court, or for refusal
4 2 to testify.

4 3 5. Develop, recommend, and implement with
4 4 appropriate agencies public and professional education
4 5 and communication programs in energy efficiency,

4 6 energy conservation, and conversion to ~~alternative~~
4 7 ~~sources of energy renewable energy.~~

4 8 11. Develop a program to annually give public
4 9 recognition to innovative methods of energy
4 10 ~~conservation management and renewable energy~~
4 11 ~~production.~~

4 12 12. Administer and coordinate federal funds for
4 13 energy ~~conservation management and renewable energy~~
4 14 ~~programs including, but not limited to, the~~
4 15 ~~institutional conservation program, state energy~~
4 16 ~~conservation program, and energy extension service~~
4 17 ~~program, and related programs which provide energy~~
4 18 ~~management and conservation assistance to schools,~~
4 19 ~~hospitals, health care facilities, communities, and~~
4 20 ~~the general public.~~

4 21 14. ~~Perform~~ Provide information from monthly fuel
4 22 surveys which establish a statistical average of motor
4 23 fuel prices for various motor fuels provided
4 24 throughout the state. Additionally, the department
4 25 shall ~~perform~~ provide monthly fuel ~~surveys~~ survey
4 26 information in cities with populations of over fifty
4 27 thousand which establish a statistical average of
4 28 motor fuel prices for various motor fuels provided in
4 29 those individual cities. The survey results shall be
4 30 publicized in a monthly press release issued by the
4 31 department.

4 32 Sec. 8. Section 473.7, subsections 2, 3, and 15,
4 33 Code 2007, are amended by striking the subsections.

4 34 Sec. 9. Section 473.11, Code 2007, is amended to
4 35 read as follows:

4 36 473.11 ENERGY CONSERVATION TRUST FUND ESTABLISHED
4 37 == RECEIPTS AND DISBURSEMENTS.

4 38 ~~1. a.~~ The energy conservation trust fund is
4 39 created within the state treasury ~~under the control of~~
4 40 ~~the department.~~ This state, on behalf of itself, its
4 41 citizens, and its political subdivisions, accepts any
4 42 moneys awarded or allocated to the state, its
4 43 citizens, and its political subdivisions as a result
4 44 of the federal court decisions and United States
4 45 department of energy settlements resulting from
4 46 alleged violations of federal petroleum pricing
4 47 regulations and deposits the moneys in the energy
4 48 conservation trust fund. The fund shall also consist
4 49 of any moneys appropriated by the general assembly and
4 50 any other moneys, including grants and gifts from
5 1 government and nonprofit organizations, available to
5 2 and obtained or accepted by the department for
5 3 placement in the fund. Moneys in the fund are not
5 4 subject to section 8.33. Notwithstanding section
5 5 12C.7, interest or earnings on moneys in the fund
5 6 shall be credited to the energy conservation fund.

5 7 b. The energy conservation trust is established to
5 8 provide for an orderly, efficient, and effective
5 9 mechanism to make maximum use of moneys available to
5 10 the state, in order to increase energy conservation
5 11 efforts and thereby to save the citizens of this state
5 12 energy expenditures. The moneys in the funds in the
5 13 trust shall be expended only upon appropriation by the
5 14 general assembly and only for programs which will
5 15 benefit citizens who may have suffered economic
5 16 penalties resulting from the alleged petroleum
5 17 overcharges.

5 18 c. The moneys awarded or allocated from each court
5 19 decision or settlement shall be placed in a separate
5 20 fund in the energy conservation trust.

5 21 Notwithstanding section 12C.7, interest and earnings
5 22 on investments from moneys in the trust shall be
5 23 credited proportionately to the funds in the trust.

5 24 d. Unless prohibited by the conditions applying to
5 25 a settlement, the petroleum overcharge moneys in the
5 26 energy conservation trust may be used for the payment
5 27 of attorney fees and expenses incurred by the state to
5 28 obtain the moneys and shall be paid by the director of
5 29 the department of administrative services from the
5 30 available moneys in the trust subject to the approval
5 31 of the attorney general.

5 32 e. However, petroleum overcharge moneys received
5 33 pursuant to claims filed on behalf of the state, its
5 34 institutions, departments, agencies, or political
5 35 subdivisions shall be deposited in the general fund of
5 36 the state to be disbursed directly to the appropriate

~~5 37 claimants in accordance with federal guidelines and~~
~~5 38 subject to the approval of the attorney general.~~
~~5 39 f. The moneys deposited under section 473.16 in~~
~~5 40 the general fund of the state shall be used for~~
~~5 41 research and development of selected projects to~~
~~5 42 improve Iowa's energy independence by developing~~
~~5 43 improved methods of energy efficiency, or by increased~~
~~5 44 development and use of Iowa's renewable~~
~~5 45 nonresource-depleting energy resources. The moneys~~
~~5 46 credited to the general fund of the state under~~
~~5 47 section 556.18, subsection 3, shall be used for energy~~
~~5 48 conservation and alternative energy resource projects.~~
~~5 49 The projects shall be selected by the director and~~
~~5 50 administered by the department. Selection criteria~~
~~6 1 for funded projects shall include consideration of~~
~~6 2 indirect restitution to those persons in the state in~~
~~6 3 the utility customer classes and the utility service~~
~~6 4 territories affected by unclaimed utility refunds or~~
~~6 5 deposits.~~
~~6 6 Moneys deposited into the general fund of the state~~
~~6 7 under sections 473.16, 476.51, and 556.18, subsection~~
~~6 8 3, are subject to the requirements of section 8.60.~~
~~6 9 2. The treasurer of state shall be the custodian~~
~~6 10 of the energy conservation trust and shall invest the~~
~~6 11 moneys in the trust, in consultation with the energy~~
~~6 12 fund disbursement council established in subsection 3~~
~~6 13 and the investment board of the Iowa public employees'~~
~~6 14 retirement system, in accordance with the following~~
~~6 15 guidelines:~~
~~6 16 a. To maximize the rate of return on moneys in the~~
~~6 17 trust while providing sufficient liquidity to make~~
~~6 18 fund disbursements, including contingency~~
~~6 19 disbursements.~~
~~6 20 b. To absolutely insure the trust against loss.~~
~~6 21 c. To use such investment tools as are necessary~~
~~6 22 to achieve these purposes.~~
~~6 23 3. An energy fund disbursement council is~~
~~6 24 established. The council shall be composed of the~~
~~6 25 governor or the governor's designee, the director of~~
~~6 26 the department of management, who shall serve as the~~
~~6 27 council's chairperson, the administrator of the~~
~~6 28 division of community action agencies of the~~
~~6 29 department of human rights, a designee of the director~~
~~6 30 of the department of natural resources who is~~
~~6 31 knowledgeable in the field of energy conservation, and~~
~~6 32 a designee of the director of transportation who is~~
~~6 33 knowledgeable in the field of energy conservation.~~
~~6 34 The council shall include as nonvoting members two~~
~~6 35 members of the senate appointed by the president of~~
~~6 36 the senate, after consultation with the majority~~
~~6 37 leader and the minority leader of the senate, and two~~
~~6 38 members of the house of representatives appointed by~~
~~6 39 the speaker of the house, after consultation with the~~
~~6 40 majority leader and the minority leader of the house.~~
~~6 41 The legislative members shall be appointed upon the~~
~~6 42 convening and for the period of each general assembly.~~
~~6 43 Not more than one member from each house shall be of~~
~~6 44 the same political party. The council shall be~~
~~6 45 staffed by the department of natural resources. The~~
~~6 46 attorney general shall provide legal assistance to the~~
~~6 47 council.~~
~~6 48 The council shall do all of the following:~~
~~6 49 a. Oversee the investment of moneys deposited in~~
~~6 50 the energy conservation trust.~~
~~7 1 b. Make recommendations to the governor and the~~
~~7 2 general assembly regarding annual appropriations from~~
~~7 3 the energy conservation trust.~~
~~7 4 c. Work with the department of natural resources~~
~~7 5 in adopting administrative rules necessary to~~
~~7 6 administer expenditures from the trust, encourage~~
~~7 7 applications for grants and loans, review and select~~
~~7 8 proposals for the funding of competitive grants and~~
~~7 9 loans from the energy conservation trust, and evaluate~~
~~7 10 their comparative effectiveness.~~
~~7 11 d. Monitor expenditures from the trust.~~
~~7 12 e. Approve any grants or contracts awarded from~~
~~7 13 the energy conservation trust in excess of five~~
~~7 14 thousand dollars.~~
~~7 15 f. Prepare, in conjunction with the department of~~
~~7 16 natural resources, an annual report to the governor~~
~~7 17 and the general assembly regarding earnings of and~~

~~7 18 expenditures from the energy conservation trust.
7 19 4. The director of the department of natural
7 20 resources or the director's designee shall be the
7 21 administrator of the energy conservation trust. The
7 22 administrator shall disburse moneys appropriated by
7 23 the general assembly from the funds in the trust in
7 24 accordance with the federal court orders, law and
7 25 regulation, or settlement conditions applying to the
7 26 moneys in that fund, and subject to the approval of
7 27 the energy fund disbursement council if such approval
7 28 is required. The council, after consultation with the
7 29 attorney general, shall immediately approve the
7 30 disbursement of moneys from the funds in the trust for
7 31 projects which meet the federal court orders, law and
7 32 regulations, or settlement conditions which apply to
7 33 that fund.~~

~~7 34 5. The following funds are established in the
7 35 energy conservation trust:
7 36 a. The Warner/Imperial fund.
7 37 b. The Exxon fund.
7 38 c. The Stripper Well fund.
7 39 d. The Diamond Shamrock fund.
7 40 e. The office of hearings and appeals second-stage
7 41 settlement fund.~~

~~7 42 6. The moneys in the fund in the energy
7 43 conservation trust distributed to the state as a
7 44 result of the federal court decisions finding oil
7 45 companies in violation of federal petroleum pricing
7 46 regulations shall be expended expeditiously, until all
7 47 the receipts are depleted and shall be disbursed for
7 48 projects which meet the strict guidelines of the five
7 49 existing federal energy conservation programs
7 50 specified in Pub. L. No. 97-377, } 155, 96 Stat.~~

~~8 1 1830, 1919 (1982). The council shall approve the
8 2 disbursement of moneys from the fund in the trust for
8 3 other projects only if the projects meet one or more
8 4 of the following conditions:~~

~~8 5 a. The projects meet the guidelines for allowable
8 6 projects under a modification order entered by the
8 7 federal court in the case involving Exxon corporation.~~

~~8 8 b. The projects meet the guidelines for allowable
8 9 projects under a directive order entered by the
8 10 federal court in the case involving Exxon corporation.~~

~~8 11 c. The projects meet the guidelines for allowable
8 12 projects under the regulations adopted or written
8 13 clarifications issued by the United States department
8 14 of energy.~~

~~8 15 d. The projects meet the guidelines for allowable
8 16 projects under the petroleum violation settlement
8 17 agreement expenditure plan approved by the United
8 18 States department of energy.~~

~~8 19 7. On June 30, 2003, the energy fund disbursement
8 20 council established in subsection 3 shall be
8 21 dissolved. At that time, the The department of~~

~~8 22 natural resources shall be responsible for the
8 23 disbursement of any funds either received or remaining
8 24 in the energy conservation trust fund. These~~

~~8 25 disbursements shall be for projects and programs
8 26 consistent with the legally determined allowable uses
8 27 for the former energy conservation trust, section~~

~~8 28 473.11, Code 2005. Also, at that time, and annually
8 29 thereafter, the The state department of transportation
8 30 shall report to the department of natural resources on~~

~~8 31 the status of the intermodal revolving loan fund
8 32 established in the department on an annual basis. In
8 33 the fiscal year beginning July 1, 2019, the department~~

~~8 34 of natural resources shall assume responsibility for
8 35 funds remaining in the intermodal revolving loan fund
8 36 and disburse them for energy conservation projects and~~

~~8 37 programs consistent with the legally determined
8 38 allowable uses for the former energy conservation
8 39 trust.~~

~~8 40 Sec. 10. Section 473.13A, Code 2007, is amended to
8 41 read as follows:~~

~~8 42 473.13A ENERGY CONSERVATION MEASURES MANAGEMENT
8 43 AND RENEWABLE ENERGY OPPORTUNITIES IDENTIFIED AND
8 44 IMPLEMENTED.~~

~~8 45 1. The state, All state agencies, political
8 46 subdivisions of the state, school districts, area
8 47 education agencies, and community colleges shall
8 48 identify and implement, through energy audits and~~

~~8 49 engineering analyses, all energy conservation measures
8 50 identified management improvements for which financing
9 1 is made available by through the department to the
9 2 entity. Identification of energy management
9 3 improvements shall be made through energy analyses as
9 4 approved by the department. The energy conservation
9 5 measure financings management improvement financing
9 6 shall be supported through payments from energy
9 7 savings and shall be for a term defined by the
9 8 department in rule.~~

~~9 9 2. Except for a garage, storage facility or brine
9 10 production facility, a building owned by a state
9 11 agency shall be analyzed by the state agency for
9 12 energy management improvement opportunities based on
9 13 the guidelines established pursuant to section 473.19.
9 14 The results of the analysis shall be submitted to the
9 15 department by August 1, 2009. An updated analysis
9 16 shall be submitted to the department every five years
9 17 thereafter if appropriations, allocations, or grants
9 18 are provided for the cost of the analysis. Based on
9 19 the findings of the energy analysis and the updates,
9 20 the state agency shall, with assistance from the
9 21 department, develop an energy management plan. The
9 22 energy management plan shall identify the energy
9 23 management improvements to be implemented by the state
9 24 agency, establish a timeline for their implementation,
9 25 and identify a funding source. The department shall
9 26 submit a report to the governor and the general
9 27 assembly by January 1, 2010, and every five years
9 28 thereafter, that analyzes all information collected
9 29 pursuant to this subsection and includes
9 30 recommendations for future programs.~~

~~9 31 3. Any new construction or renovation of existing
9 32 facilities intended for use by the state shall meet
9 33 green or sustainable building requirements established
9 34 in rules adopted pursuant to chapter 17A by the
9 35 department after consultation with the state building
9 36 code commissioner established in section 103A.4. The
9 37 rules shall meet or exceed the energy conservation
9 38 requirements established in the state building code
9 39 pursuant to section 103A.10. Any rules of the fire
9 40 marshal established pursuant to section 100.1, 100.35,
9 41 101.1, or 101A.5, the state building code established
9 42 pursuant to chapter 103A, the state plumbing code
9 43 established pursuant to section 135.11, subsection 5,
9 44 requirements for elevators established pursuant to
9 45 chapter 89A, or requirements for boilers and pressure
9 46 vessels established pursuant to chapter 89, shall
9 47 supersede any conflicting provision of the rules
9 48 established pursuant to this subsection. The
9 49 department shall adopt rules that take effect on July
9 50 1, 2008. The rules shall not apply to a garage,
10 1 storage facility, correctional facility, other secure
10 2 facility, or brine production facility.~~

~~10 3 4. Pending the adoption of rules pursuant to
10 4 subsection 3, it is the intent of the general assembly
10 5 that all new construction or renovation of existing
10 6 facilities for state agency use should meet or exceed
10 7 the energy requirements for the United States green
10 8 building council leadership in energy and
10 9 environmental design silver certification.~~

~~10 10 5. For purposes of this section, "renovation"
10 11 means any change to a facility with costs equal to
10 12 more than fifty percent of the value of the facility
10 13 or an addition to the facility in excess of twenty
10 14 thousand square feet.~~

~~10 15 6. The department shall not require a state
10 16 agency, political subdivision of the state, school
10 17 district, community college, or area education agency,
10 18 city, or county to perform an engineering energy
10 19 analysis if the state agency, political subdivision of
10 20 the state, school district, community college, or area
10 21 education agency, city, or county demonstrates to the
10 22 department that the facility which is the subject of
10 23 the proposed engineering energy analysis at issue is
10 24 not currently in use or is unlikely to be in use or
10 25 operation in six four years by the governmental entity
10 26 currently using or occupying the facility.~~

~~10 27 7. If a state agency leases or otherwise occupies
10 28 a building, other than a garage, storage facility,
10 29 correctional facility, other secure facility, or brine~~

10 30 production facility, the agency shall prepare a plan
10 31 not later than August 1, 2009, designed to reduce
10 32 energy use and utility costs at the building.
10 33 Sec. 11. Section 473.15, Code 2007, is amended to
10 34 read as follows:
10 35 473.15 ANNUAL REPORT.
10 36 The department shall ~~include in the complete an~~
10 37 annual report ~~required under section 455A.4 an~~
~~10 38 assessment of to assess the progress achieved by~~
~~10 39 public agencies of state agencies, political~~
~~10 40 subdivisions of the state, school districts, area~~
10 41 education agencies, and community colleges in
10 42 implementing energy ~~management improvements, renewable~~
10 43 energy systems, and life cycle cost analyses under
10 44 chapter 470, and on the use of renewable fuels. The
10 45 department shall work with stakeholders to use
10 46 available information to minimize the cost of
10 47 preparing the report for the department and
10 48 stakeholders. The department shall also provide an
10 49 assessment of the economic and environmental impact of
10 50 the progress made by state agencies, political
11 1 subdivisions of the state, school districts, area
11 2 education agencies, and community colleges related to
11 3 energy management and renewable energy, along with
11 4 recommendations on technological opportunities and
11 5 policies necessary for continued improvement in these
11 6 areas.

11 7 Sec. 12. Section 473.19, Code 2007, is amended to
11 8 read as follows:
11 9 473.19 ENERGY BANK PROGRAM.
11 10 1. The energy bank program is established by the
11 11 department. The energy bank program consists of the
11 12 following forms of assistance for the state, state
11 13 agencies, political subdivisions of the state, school
11 14 districts, area education agencies, community
11 15 colleges, and nonprofit organizations:
11 16 ~~1-~~ a. Promoting program availability.
11 17 b. Developing or identifying guidelines and model
11 18 energy techniques for the completion of energy
11 19 analyses for state agencies, political subdivisions of
11 20 the state, school districts, area education agencies,
11 21 community colleges, and nonprofit organizations.
11 22 c. Providing moneys from the petroleum overcharge
11 23 fund technical assistance for conducting energy audits
11 24 analyses for school districts under section 279.44,
11 25 for conducting comprehensive engineering analyses for
11 26 school districts and for conducting energy audits and
11 27 comprehensive engineering analyses for state agencies,
11 28 and political subdivisions of the state agencies,
11 29 political subdivisions of the state, school districts,
11 30 area education agencies, community colleges, and
11 31 nonprofit organizations.
11 32 2. d. Providing Facilitating loans, leases, and
11 33 other methods of alternative financing from under the
11 34 energy loan fund established in section 473.20 and
11 35 section 473.20A program for the state, state agencies,
11 36 political subdivisions of the state, school districts,
11 37 area education agencies, community colleges, and
11 38 nonprofit organizations to implement energy
11 39 conservation measures management improvements.
11 40 3. ~~Serving as a source of technical support for~~
11 41 energy conservation management.
11 42 4. e. Providing assistance for obtaining
11 43 insurance on the energy savings expected to be
11 44 realized from the implementation of energy
11 45 conservation measures management improvements.
11 46 5. f. Providing Facilitating self-liquidating
11 47 financing for the state, state agencies, political
11 48 subdivisions of the state, school districts, area
11 49 education agencies, community colleges, and nonprofit
11 50 organizations pursuant to section 473.20A.
12 1 g. Assisting the treasurer of state with financing
12 2 agreements entered into by the treasurer of state on
12 3 behalf of state agencies to finance energy management
12 4 improvements pursuant to section 12.28.

12 5 2. For the purpose of this section, section
12 6 473.20, and section 473.20A, "energy conservation
12 7 measure" management improvement" means construction,
12 8 rehabilitation, acquisition, or modification of an
12 9 installation in a facility or vehicle which is
12 10 intended to reduce energy consumption, or energy

12 11 costs, or both, or allow the use of ~~an alternative~~
12 12 ~~energy source, which may contain integral renewable~~
12 13 ~~energy. "Energy management improvement" may include~~
12 14 control and measurement devices. "Nonprofit
12 15 organization" means an organization exempt from
12 16 federal income taxation under section 501(c)(3) of the
12 17 Internal Revenue Code.

12 18 Sec. 13. Section 473.20, unnumbered paragraph 1,
12 19 Code 2007, is amended to read as follows:

12 20 An energy loan ~~fund program~~ is established ~~in the~~
12 21 ~~office of the treasurer of state to and shall be~~
12 22 administered by the department.

12 23 Sec. 14. Section 473.20, subsections 1, 5, and 6,
12 24 Code 2007, are amended to read as follows:

12 25 1. The department may ~~make loans to the state,~~
12 26 ~~state agencies, facilitate the loan process for~~
12 27 political subdivisions of the state, school districts,
12 28 area education agencies, community colleges, and
12 29 nonprofit organizations for implementation of energy
12 30 ~~conservation measures management improvements~~
12 31 identified in ~~a comprehensive engineering an energy~~
12 32 ~~analysis. Loans shall be made facilitated for all~~
12 33 ~~cost-effective energy management improvements. For~~
12 34 ~~the state, state agencies, political subdivisions of~~
12 35 the state, school districts, area education agencies,
12 36 community colleges, and nonprofit organizations to
12 37 receive a loan ~~from the fund assistance under the~~
12 38 ~~program, the department shall require completion of an~~
12 39 energy management plan including an energy ~~audit and a~~
12 40 ~~comprehensive engineering analysis. The department~~
12 41 shall approve loans ~~made facilitated~~ under this
12 42 section.

12 43 5. ~~The state, state agencies, political~~ Political
12 44 subdivisions of the state, school districts, area
12 45 education agencies, and community colleges shall
12 46 design and construct the most energy cost-effective
12 47 facilities feasible and ~~shall use the financing made~~
12 48 ~~available may use financing facilitated~~ by the
12 49 department to cover the incremental costs above
12 50 minimum building code energy efficiency standards of
13 1 purchasing energy efficient devices and materials
13 2 unless other lower cost financing is available. As
13 3 used in this section, "facility" means a structure
13 4 that is heated or cooled by a mechanical or electrical
13 5 system, or any system of physical operation that
13 6 consumes energy to carry out a process.

13 7 6. The department shall not require the state,
13 8 state agencies, political subdivisions of the state,
13 9 school districts, area education agencies, and
13 10 community colleges to implement a specific energy
13 11 ~~conservation measure management improvement~~ identified
13 12 ~~in a comprehensive engineering an energy analysis if~~
13 13 the entity which prepared the analysis demonstrates to
13 14 the department that the facility which is the subject
13 15 of the energy ~~conservation measure management~~
13 16 ~~improvement~~ is unlikely to be used or operated for the
13 17 full period of the expected savings payback of all
13 18 costs associated with implementing the energy
13 19 conservation measure management improvement, including
13 20 without limitation, any fees or charges of the
13 21 department, engineering firms, financial advisors,
13 22 attorneys, and other third parties, and all financing
13 23 costs including interest, if financed.

13 24 Sec. 15. Section 473.20, subsection 3, Code 2007,
13 25 is amended by striking the subsection.

13 26 Sec. 16. Section 473.20A, Code 2007, is amended to
13 27 read as follows:

13 28 473.20A SELF=LIQUIDATING FINANCING.

13 29 1. The department of natural resources may ~~enter~~
13 30 ~~into facilitate~~ financing agreements ~~that may be~~
13 31 ~~entered into with the state, state agencies, political~~
13 32 subdivisions of the state, school districts, area
13 33 education agencies, community colleges, or nonprofit
13 34 organizations in order to provide the financing to pay
13 35 finance the costs of furnishing energy conservation
13 36 measures management improvements on a self=liquidating
13 37 basis. The provisions of section 473.20 defining
13 38 eligible energy conservation measures and the method
13 39 of repayment of the loans management improvements
13 40 apply to financings under this section.

13 41 The financing agreement may contain provisions,

13 42 including interest, term, and obligations to make
13 43 payments on the financing agreement beyond the current
13 44 budget year, as may be ~~agreed upon between the~~
~~13 45 department of natural resources and the state, state~~
~~13 46 agencies, acceptable to~~ political subdivisions of the
13 47 state, school districts, area education agencies,
13 48 community colleges, or nonprofit organizations.

~~13 49 2. For the purpose of funding its obligation to~~
~~13 50 furnish moneys under the financing agreements, or to~~
~~14 1 fund the energy loan fund created in section 473.20,~~
~~14 2 the treasurer of state, with the assistance of the~~
~~14 3 department of natural resources, or the treasurer of~~
~~14 4 state's duly authorized agents or representatives, may~~
~~14 5 incur indebtedness or enter into master lease~~
~~14 6 agreements or other financing arrangements to borrow~~
~~14 7 to accomplish energy conservation measures, or the~~
~~14 8 department of natural resources may enter into master~~
~~14 9 lease agreements or other financing arrangements to~~
~~14 10 permit the state, state agencies, political~~
~~14 11 subdivisions of the state, school districts, area~~
~~14 12 education agencies, community colleges, or nonprofit~~
~~14 13 organizations to borrow sufficient funds to accomplish~~
~~14 14 the energy conservation measure. The obligations may~~
~~14 15 be in such form, for such term, bearing such interest~~
~~14 16 and containing such provisions as the department of~~
~~14 17 natural resources, with the assistance of the~~
~~14 18 treasurer of state, deems necessary or appropriate.~~
~~14 19 Funds remaining after the payment of all obligations~~
~~14 20 have been redeemed shall be paid into the energy loan~~
~~14 21 fund. The department shall assist the treasurer of~~
~~14 22 state with financing agreements entered into by the~~
~~14 23 treasurer of state on behalf of state agencies~~
~~14 24 pursuant to section 12.28 to finance energy management~~
~~14 25 improvements being implemented by state agencies.~~

14 26 3. ~~The state, state agencies, political~~ Political
14 27 subdivisions of the state, school districts, area
14 28 education agencies, community colleges, and nonprofit
14 29 organizations may enter into financing agreements and
14 30 issue obligations necessary to carry out the
14 31 provisions of the chapter. Chapter 75 shall not be
14 32 applicable.

14 33 Sec. 17. Section 476.6, subsection 16, paragraph
14 34 a, Code 2007, is amended to read as follows:

14 35 a. Gas and electric utilities required to be
14 36 rate-regulated under this chapter shall file energy
14 37 efficiency plans with the board. An energy efficiency
14 38 plan and budget shall include a range of programs,
14 39 tailored to the needs of all customer classes,
14 40 including residential, commercial, and industrial
14 41 customers, for energy efficiency opportunities. The
14 42 plans shall include programs for qualified low-income
14 43 persons including a cooperative program with any
14 44 community action agency within the utility's service
14 45 area to implement countywide or communitywide energy
14 46 efficiency programs for qualified low-income persons
14 47 and may include cooperative programs with any
14 48 community action agency within the utility's service
14 49 area to implement programs to provide assessment,
14 50 resolution, and energy efficiency training for

15 1 qualified low-income persons for managing home energy
15 2 utility costs. Rate-regulated gas and electric
15 3 utilities shall utilize Iowa agencies and Iowa
15 4 contractors to the maximum extent cost-effective in
15 5 their energy efficiency plans filed with the board.

15 6 Sec. 18. NEW SECTION. 476A.17 COAL-FIRED
15 7 MERCHANT POWER PLANTS.

15 8 1. For purposes of this section, "coal-fired
15 9 merchant power plant" means a power plant that burns
15 10 coal located in this state that is not owned or
15 11 operated by a public utility, municipally owned
15 12 utility, municipal power agency, or electric
15 13 cooperative corporation or association and which is
15 14 not subject to rate regulation pursuant to chapter
15 15 476.

15 16 2. As a condition of a permit issued by the board
15 17 pursuant to this chapter, the board shall order an
15 18 owner or operator of a coal-fired merchant power plant
15 19 to do all of the following:

15 20 a. Provide or purchase alternative energy
15 21 production, as defined in sections 476.41 through
15 22 476.45, equal to eight percent of the capacity of the

15 23 coal-fired merchant power plant.
15 24 b. Provide one-tenth of one percent of annual
15 25 gross revenues for the support of the Iowa energy
15 26 center created in section 266.39C and the center for
15 27 global and regional environmental research created by
15 28 the state board of regents.
15 29 c. Provide two percent of annual gross revenues
15 30 for an energy management improvement grant program to
15 31 be administered by the center for energy and
15 32 environmental education at the University of Northern
15 33 Iowa.
15 34 3. The board, after consultation with the
15 35 department of natural resources, may waive all or part
15 36 of the requirements of subsection 2 upon finding that
15 37 the coal-fired merchant power plant has achieved other
15 38 methods to offset its production of greenhouse gases
15 39 and other pollutants.
15 40 4. The board shall adopt rules pursuant to chapter
15 41 17A prescribing regulatory standards and
15 42 implementation procedures relating to the application
15 43 of the requirements in subsection 2.
15 44 Sec. 19. Sections 473.13, 473.16, 473.17, 473.42,
15 45 and 473.44, Code 2007, are repealed.>
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